



STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
State Revolving Fund Loan Program
Life & Casualty Tower, 8th Floor
401 Church Street
Nashville, TN 37243

FINDING OF NO SIGNIFICANT IMPACT

**Approval of Facilities Plan
Newport (Cocke County), Tennessee
Project No. DWSRF 2006-067**

September 18, 2006

The National Environmental Policy Act requires federally designated agencies to determine whether a proposed major agency action will significantly affect the environment. One such major action, defined by the Safe Drinking Water Act (SDWA), is the approval of a facilities plan prepared pursuant to EPA 816-R-97-005, Final Guidelines. In making this determination, the State Revolving Fund Loan Program assumes that all facilities and actions recommended by the plan will be implemented. The State's analysis concludes that implementing the plan will not significantly affect the environment; accordingly, the State Revolving Fund Loan Program is issuing this Finding of No Significant Impact (FNSI) for public review.

The City of Newport has completed the facilities plan entitled "State Revolving Fund Facilities Plan, Hartford Road Water Line Extension" dated June 2006. The facilities plan provides recommendations to expand the existing water treatment system serving Newport (Cocke County), Tennessee, to include the Hartford Community south of Newport. This project will consist of installing approximately 22,000 linear feet (LF) of 12-inch transmission line along Hartford Road from the Denton community to the Hartford community and approximately 7,200 LF of 8-inch waterline from Hartford Road proceeding westward toward U.S. Highway 321 and the Cosby Storage Tank and relocating the existing Dark Hollow Road Pump Station to approximately 1,500 feet north of the Wilson Springs exit (Exit 440) of Interstate 40 on State Route 73. The total estimated project cost is \$2,711,798. A Drinking Water State Revolving Fund (DWSRF) loan in the amount of \$800,000 has been requested for this project. Other funding sources include a Community Development Block Grant in the amount of \$500,000; an Environmental Protection Agency State and Tribal Assistance Grant in the amount of \$1,350,000; and a local share in the amount of \$61,798.

Attached is an Environmental Assessment containing detailed information supporting this action. Comments supporting or disagreeing with this proposed action received within 30 days of the date of this FNSI will be evaluated before we make a final decision to proceed. If you wish to comment or to challenge this FNSI, send your written comment(s) to:

Mr. Sam R. Gaddipati, Manager
State Revolving Fund Loan Program
Tennessee Department of Environment and Conservation
Life & Casualty Tower, 8th Floor
401 Church Street
Nashville, TN 37243

or contact him by telephone at (615) 532-0445 or by e-mail at sam.gaddipati@state.tn.us.

ENVIRONMENTAL ASSESSMENT

Newport (Cocke County), Tennessee

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A. PROPOSED FACILITIES AND ACTIONS; FUNDING STATUS

The City of Newport has completed the facilities plan entitled "State Revolving Fund Facilities Plan, Hartford Road Water Line Extension" dated June 2006. The facilities plan provides recommendations to expand the existing water treatment system serving Newport (Cocke County), Tennessee, to include the Hartford Community south of Newport. This project will consist of installing approximately 22,000 linear feet (LF) of 12-inch transmission line along Hartford Road from the Denton community to the Hartford community and approximately 7,200 LF of 8-inch waterline from Hartford Road proceeding westward toward U.S. Highway 321 and the Cosby Storage Tank and relocating the existing Dark Hollow Road Pump Station to approximately 1,500 feet north of the Wilson Springs exit (Exit 440) of Interstate 40 on State Route 73. The facilities planning area and project location are indicated on Figures 1 (Hartford Road Water Line Extension), 2 (Greasy Cove Water Line Extension), and 3 (Dark Hollow Pump Station Relocation) of this Environmental Assessment.

FUNDING STATUS

The facilities described above comprise the scope of the Drinking Water State Revolving Fund (DWSRF) Loan No. 2006-067 scheduled for funding in fiscal year 2007. The estimated project costs are summarized in the following tabulation:

<u>PROJECT CLASSIFICATIONS</u>	<u>COSTS (\$)</u>
Administrative & Legal	49,000
Land Costs & Appraisals	12,500
Planning Fees	7,500
Engineering Basic Fees	119,495
Other Engineering Fees	25,000
Resident Inspection	85,000
Construction	2,061,729
Contingencies	351,574
TOTAL	2,711,798
DWSRF Loan	800,000
Other Funding Sources (see below)	1,911,798

Other funding sources include a Community Development Block Grant in the amount of \$500,000; an Environmental Protection Agency State and Tribal Assistance Grant in the amount of \$1,350,000; and a local share in the amount of \$61,798.

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B. EXISTING ENVIRONMENT

The City of Newport's Hartford Road Water Line Planning Area is located in Cocke County in the eastern part of Tennessee. Existing environmental features are described below:

SURFACE WATERS

Surface waters in the project area include the Pigeon River and its tributaries including Mill Creek, Groundhog Creek, Miller Branch, Dry Branch, Weaver Branch, McSween Branch and Polly Elbert Branch. Stream classifications for the Pigeon River include domestic water supply, fish and aquatic life, recreation, livestock watering and wildlife and irrigation. Stream classifications for Mill Creek include fish and aquatic life, recreation, livestock watering and wildlife, irrigation, and naturally reproducing trout stream.

GROUNDWATER

Groundwater in Cocke County occurs chiefly in fractures in the underlying rocks. In the calcareous rocks, fractures are usually somewhat enlarged by solution in the upper 200 to 300 feet. In the less soluble rocks, few fractures are enlarged. Some groundwater occurs in the residuum overlying the carbonate rocks, but yields of these wells are usually less than five gallons per minute.

SOILS

Soils in the project area are of the Sylco-Ranger-Citico and Jefferson-Allen-Statler Soils Associations. The Sylco-Ranger-Citico Soil Association is characterized as steep, moderately deep to shallow, loamy and channery soils from phyllite, slate, and shale and deep loamy soils from colluvium. The Jefferson-Allen-Statler Soil Association is characterized as hilly to undulating, deep loamy soils from colluvium and alluvium.

TOPOGRAPHY

The southern and eastern portion of Cocke County is in the Blue Ridge Province of the Appalachian Highlands. This area contains high and steep mountains with narrow, uneven tops and steep rugged side slopes. Mountains in the vicinity of the project east and west of the Pigeon River include Green and Stone Mountains with peaks exceeding 2,400 and 2,800 feet, respectively, above mean sea level (MSL) and Raines, Kelly and Baker Knobs with peaks ranging from 1,600 and exceeding 2,600 feet above MSL.

OTHER ENVIRONMENTAL FEATURES

The Hartford Community is located between the Cherokee National Forest and the Great Smoky Mountains National Park and along the Pigeon River. These areas will not be affected by this project because the 12-inch transmission main proceeding from the Denton Community towards the Hartford Community will be placed in the roadway from the last fire hydrant on Hartford Road in the Denton Community to approximately 1,000 feet past Lindsey Gap Road and then proceed in the grassy shoulder along Hartford Road to the end of the line in the Hartford Community. No other wild or scenic rivers or unique agricultural, scientific, cultural, ecological or natural areas were identified in the Hartford Water Line Extension Planning Area.

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C. EXISTING WATER FACILITIES

The citizens of the Hartford Community currently obtain drinking water from wells, springs, and hand-filled personal water storage tanks. The quality and reliability of these sources is a major concern for the residents. The Hartford Community is located on the Pigeon River downstream of a large pulp/paper mill located in Canton, North Carolina, which until recently has discharged large quantities of pollutants into the Pigeon River.

Newport Utilities provides drinking water to approximately 9,500 people, commercial and industrial users, and bulk water users in the City of Newport, the surrounding area, and into Sevier County. The Newport Utilities Water Treatment Plant (WTP) treats an average of 3.5 million gallons per day (MGD) and has the capacity to treat 6.0 MGD. Newport Utilities owns and operates 338 miles of distribution lines, 18 storage tanks, and the WTP.

D. NEED FOR PROPOSED FACILITIES AND ACTIONS

The Hartford Community is not currently served by a public water system. Widespread well and spring samples have tested positive for fecal coliform revealing the groundwater cannot be trusted as a safe source for drinking water. In addition, historically documented dioxin contamination of the surface water supply in the Pigeon River and polluted or unreliable wells are health risks to the Hartford Community.

EXISTING AND PROJECTED FACILITY CONDITIONS

<u>POPULATION</u>	<u>EXISTING (2007)</u>	<u>PROJECTED (2027)</u>
Hartford Community	896	1,036
Percent Served	22%	33%
<u>WATER NEEDS (gpd)</u>	<u>EXISTING (2007)</u>	<u>PROJECTED (2027)</u>
Residential	19,250	34,200
Interstate 40 Welcome Center	42,000	42,000
Commercial	1,250	3,750
Total	62,500	79,950

The information above for the existing year (2007) is for 77 residences, the Interstate 40 Welcome Center, and 5 commercial establishments when the project is completed.

E. ALTERNATIVES ANALYSIS

Several alternatives were evaluated in the June 2006 Facilities Plan. Discussions of the evaluation of these alternatives and the recommended plan are following:

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NO-ACTION

The "No-action" alternative consists of the continued use of existing water sources from wells, springs, and hand-filled personal water storage tanks. The citizens of the Hartford Community currently rely on wells that are contaminated or unreliable. The continued use of the wells for drinking water is a health risk to the community. Therefore, action must be taken and this alternative is rejected.

DEVELOPMENT OF A NEW SURFACE WATER SUPPLY

This alternative consists of the development of a new surface water source and also construction and operation of a treatment facility to provide a safe and dependable water supply for the Hartford Community. The documented contamination of the Pigeon River would significantly increase the construction and operating costs. A certified operator would be required to oversee the operation of the facility. Therefore, this alternative is not the most cost-effective and is rejected.

DEVELOPMENT OF A NEW GROUNDWATER SUPPLY

This alternative consists of the development of a new groundwater source to provide a safe and dependable water supply for the Hartford Community. Development of a groundwater source would require a study, planning, design and construction of a groundwater treatment facility. A certified operator would be required to oversee the operation of the facility. Therefore, this alternative is not the most cost-effective and is rejected.

EXTENSION OF THE EXISTING WATER DISTRIBUTION SYSTEM

This alternative consists of the extension of the existing Newport Utilities water distribution system by installing approximately 22,000 LF of 12-inch transmission line along Hartford Road from the Denton community to the Hartford community and approximately 7,200 LF of 8-inch waterline from Hartford Road proceeding westward toward U.S. Highway 321 and the Cosby Storage Tank and the relocation of the existing Dark Hollow Road Pump Station to approximately 1,500 feet north of the Wilson Springs exit (Exit 440) of Interstate 40 on State Route 73. This alternative is the most cost-effective and is selected.

F. ENVIRONMENTAL CONSEQUENCES; MITIGATIVE MEASURES

The benefits of this project include providing a safe and dependable drinking water source to the Hartford Community.

During the construction phase, short-term environmental impacts due to noise, dust, mud, disruption of traffic, runoff of silt with rainfall, etc., are unavoidable. Minimization of these impacts will be required; however, many of these minimization measures will only be temporary. Using the following measures to prevent erosion will minimize impacts on the environment:

1. Specifications will include temporary and permanent measures to be used for controlling erosion and sediment.
2. Soil or landscaping maintenance procedures will be included in the specifications.

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3. The contractor will develop an Erosion Control Plan. It should contain a construction schedule for each temporary and permanent measure controlling erosion and sediment. It should include the location, type, and purpose for each measure and the times when temporary measures will be removed or replaced.

These measures, along with requiring the contractor to return the construction site to as-good-as or better-than its original condition, will prevent any adverse impacts due to erosion.

The State endangered plant *Piratebush* has been identified within a one-mile radius of the project area. Efforts should be made to minimize impacts to this species if it is found in the project area.

G. PUBLIC PARTICIPATION; SOURCES CONSULTED

A Public Meeting was held on September 12, 2006, at 6:30 p.m., local time. The selected plan for water distribution and user charges were described to the public, and their input was received. This agency is not aware of any unresolved public objections that may have been voiced before or after the public meeting regarding this project.

The existing user charges are sufficient to repay the DWSRF loan. Therefore, no incremental increase in user charges will be required.

Sources consulted about this project for information or concurrence were:

1. Tennessee Department of Agriculture
2. Tennessee Department of Economic and Community Development
3. Tennessee Department of Environment and Conservation (TDEC), Division of Air Pollution Control
4. Tennessee Department of Transportation
5. TDEC, Division of Groundwater Protection
6. Tennessee Historical Commission
7. TDEC, Division of Archaeology
8. TDEC, Division of Natural Areas
9. TDEC, Division of Solid Waste Management
10. TDEC, Division of Water Pollution Control
11. TDEC, Division of Water Supply
12. Tennessee Wildlife Resources Agency
13. United States Army, Corps of Engineers
14. United States Fish and Wildlife Service
15. City of Newport
16. Cocke County

H. SPECIAL CONDITIONS

The State Revolving Fund loan agreement will have the following special condition:

The State endangered plant *Piratebush* has been identified within a one-mile radius of the project area. Efforts should be made to minimize impacts to this species if it is found in the project area. Mr. Roger McCoy, TDEC, Division of Natural Areas, can be contacted at 615-532-0437 about mitigative measures.